

## Crafting Your MDF Budget

### Developing the Budget

When applying for project funding, a budget is a detailed breakdown of anticipated costs presented in a spreadsheet or table format. It includes line items for various expenses and a budget narrative, which explains each cost. Your budget should align with the narrative provided in your application. Key considerations include consistency with the proposal narrative and ensuring that the budget tells the same story as the project's goals and methods. It should be detailed, leaving no room for ambiguity or misunderstanding regarding expenses.

When creating your budget, carefully review the Request for Applications (RFA) to understand specific criteria. Look for restrictions on expenses (e.g., no conference fees), limits on spending (e.g., \$2,500 for travel), and overall funding caps (e.g., total costs cannot exceed \$30,000 per year).

Ensure your budget covers all necessary and reasonable costs to complete your proposed work. Round all amounts to whole U.S. dollars. Be sure to request a reasonable amount of funding—not too much or too little. Reviewers will evaluate the justification for your costs and assess whether they align with your project's goals and methods. Over- or under-estimating expenses may indicate a misunderstanding of the project's scope.

Explain how you'll cover any budget costs not funded by the grant, including salaries, benefits, or research expenses. Be sure to provide details on other funding sources.

Differentiate between direct costs (specifically attributable to the project) and indirect costs. Personnel justification should include the names, roles, and time commitments of all project personnel. Fringe benefits rates depend on institutional policies. For travel expenses, specify destinations, number of travelers, and dates. Equipment and supplies should be categorized, with items costing less than \$1,000 not requiring individual listing. Ensure all expenses directly contribute to your research objectives.

### Payment Process

Funds for research projects are sent directly to the Principal Investigator's institution. Depending on the terms of the Award Letter, payments can be issued annually, semi-annually, or upon completion of project milestones. The institution's financial officer should establish an account to manage these funds, ensuring they are used solely for approved research expenses. The institution may not grant to any third party any security interest in the pending funds and should deposit the funds in an interest-bearing account, using and applying any interest earned as additional proceeds of the grant. All payments are made in US dollars and must comply with MDF guidelines.

### Authorized Expenses

The following expenses may be allowed under MDF grant awards unless stated otherwise in the RFA.

- *Salary and fringe benefits.* Payment for the work of qualified professionals involved in the project, as long as their level of pay matches industry standards, and the percentage of effort they contribute to the research.
- *Equipment and supplies.* Purchases necessary to achieve the specific goals of the project.
- *Travel expenses.* Costs directly related to carrying out the MDF grant award, such as attending conferences or meetings, are allowed, up to a maximum of \$2,500 per year, unless stated differently in the RFA or award letter. Travel expenses need to be justified in reports for active MDF grants.
- *Payments to collaborators.* Money given to other organizations or individuals working on the project, if those payments were planned and included in the project budget. These payments should be recorded in expense reports.

### Unauthorized Expenses

The following expenses are not allowed under MDF grant awards unless stated otherwise in the RFA.

- *Institutional costs.* MDF funds cannot be used to cover general costs, including building maintenance, utilities, institutional capital cost recovery, overhead, or other indirect costs.
- *Indirect expenses.* Money typically covered by the institution or business of the Principal Investigator, including administrative fees or office supplies, is not allowed.
- *Educational fees.* Payments for tuition fees, registration, or other fees relating to academic studies, membership dues, subscriptions, books or journals, and/or for or related to moving from one institution to another are not allowed.
- *Payments to governing body members.* No payments can be made to the trustees or members of the governing body or persons (or business entities) connected to the trustees or members of the governing body of the organization receiving the grant without the prior written agreement of the MDF.
- *Illegal or inappropriate payments.* Any payments that go against the organization's rules or U.S. laws are not allowed.
- *Non-research purposes.* MDF funds should only be used for direct research costs as outlined in the project budget.

### Changes to the Budget

The grant recipient may reallocate up to 10% of the total grant award budget between line items without prior approval from MDF. Any additional changes to the grant budget must be



approved by MDF at least two weeks prior to reporting deadlines. Requests for budget reallocations should come on official institution letterhead, be signed by the person in charge of the project (the Principal Investigator or PI), and be sent to [grants@myotonic.org](mailto:grants@myotonic.org).

For multi-year grants, funds may be carried over from one annual budget to the next with prior approval from the MDF at least two weeks prior to reporting deadlines. Requests for carrying over funds from one year to the next should come on official institution letterhead, be signed by the person in charge of the project (the Principal Investigator or PI), and be sent to [grants@myotonic.org](mailto:grants@myotonic.org).

The Principal Investigator may request a no-cost extension of up to six months. A no-cost extension must be approved by the MDF at least two weeks prior to the termination of the grant. Requests for no-cost extensions should come on official institution letterhead, be signed by the person in charge of the project (the Principal Investigator or PI), and be sent to [grants@myotonic.org](mailto:grants@myotonic.org).